

## Message Text

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63

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIE-00

INRE-00 NSCE-00 SSO-00 FEA-01 EB-07 OMB-01 TRSE-00

COME-00 /059 W

----- 015035

O R 220015Z JUL 75

FM AMEMBASSY GUATEMALA

TO SECSTATE WASHDC IMMEDIATE 7464

INFO AMEMBASSY TEGUCIGALPA

AMEMBASSY SAN SALVADOR

AMEMBASSY SAN JOSE

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

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E.O. 11652: N/A

TAGS: PINT, EINV, GT

SUBJECT: IDENTIFICATION OF DEL MONTE CONSULTANT

1. DOMINGO ALEJANDRO MOREIRA MARTINEZ ACKNOWLEDGED JULY 21 THAT HE HAD BEEN DEL MONTE'S "CONSULTANT" IN GUATEMALA. REVELATION MADE IN STATEMENT TO ATTORNEY GENERAL WHICH MOREIRA PUBLISHED IN TWO-PAGE PAID AD IN JULY 21 AFTERNOON PRESS.

2. MOREIRA IS A CUBAN-BORN NATURALIZED GUATEMALAN CITIZEN WHO CAME TO GUATEMALA SOON AFTER BATISTA'S OVERTHROW. HE QUICKLY ACQUIRED A REPUTATION AS A POLITICALLY-SHREWD OPERATOR, ONE WHO MADE THE RIGHT CONNECTIONS DURING THE YDIGORAS AND SUBSEQUENT GOVERNMENTS AND MANAGED TO BUILD UP SUBSTANTIAL FISH, POULTRY, AND MEAT EXPORTING BUSINESSES.

3. MOREIRA REPORTEDLY GAVE FINANCIAL ASSISTANCE TO THE  
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ARANA CAMPAIGN AND THEREAFTER DEVELOPED EXCELLENT

RAPPORT WITH PRESIDENT ARANA. DURING ARANA ADMINISTRATION IT WAS SAID THAT MOREIRA WAS ONE OF VERY FEW INDIVIDUALS WHO COULD VISIT ARANA WITH NO PRIOR APPOINTMENT. THIS CLOSE RELATIONSHIP HAS APPARENTLY CONTINUED. IN LATE 1974 MOREIRA, ANOTHER CUBAN EXILE NAMED SAMPEDRO, AND ARANA FORMED CAYMAN PETROLEO DE GUATEMALA; CAYMAN IS ONE OF 31 OIL COMPANIES CURRENTLY ANGLING FOR PETROLEUM SERVICE CONTRACTS (GUATEMALA A-81).

4. MOREIRA DEFENDED HIMSELF FROM BRIBERY CHARGES BY SAYING THAT "FOR THE ACCOMPLISHMENT OF MY JOB, IT WAS NOT NECESSARY FOR ME TO CONSULT WITH OR DEAL WITH ANY HIGH-LEVEL OR LOW-LEVEL OFFICIAL. MY OWN EXPERIENCE WAS SUFFICIENT." MANY GUATEMALANS ARE LIKELY TO VIEW WITH SKEPTICISM STATEMENT THAT MOREIRA WAS PAID \$500,000 FOR SERVICES WHICH DID NOT INCLUDE SPEAKING TO ANY GUATEMALAN OFFICIAL.

5. MOREIRA'S STATEMENT SHOWED SOME SENSITIVITY TO POSSIBILITY OF PROSECUTION FOR TAX EVASION. LEADING GUATEMALAN OFFICIALS HAVE SAID BOTH PUBLICLY AND PRIVATELY THAT IF CONSULTANT HAD FAILED TO REPORT PAYMENT, INCOME TAX CHARGES WOULD BE PRESSED. MOREIRA ARGUED IN HIS STATEMENT THAT HIS SERVICES WERE CONTRACTED OUTSIDE GUATEMALA AND MONEY WAS PAID OUTSIDE GUATEMALA, THEREFORE "I OWE NOTHING TO THE TREASURY IN THIS REGARD."

6. CARLOS MOLINA MENCOS, ARANA'S MINISTER OF ECONOMY, WHO HAD BEEN LEADING CANDIDATE IN PRESS SPECULATION REGARDING IDENTITY OF "CONSULTANT," CALLED ON AMBASSADOR JULY 21 APPARENTLY PREPARED TO ASSERT VIGOROUSLY HIS INNOCENCE AND APPEARED BOTH RELIEVED AND SOMEWHAT DEFLATED WHEN AMBASSADOR SHOWED HIM AFTERNOON PAPERS WITH MOREIRA STATEMENT. HE READILY AGREED THAT QUESTION EVERYONE WILL BE ASKING IS WHAT MOREIRA DID WITH MONEY, ALTHOUGH MOLINA ALSO POINTED OUT THAT ONLY OFFICIALS WITH SUFFICIENT AUTHORITY TO CHANGE ORIGINALLY NEGATIVE GOV. DECISION ON DEL MONTE PURCHASE WERE PRESIDENT ARANA AND HIMSELF. MOLINA ADMITTED HE HAD CHANGED HIS OWN MIND LIMITED OFFICIAL USE

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ON THE SALE, BUT WITHOUT ANY HELP FROM MOREIRA. MOLINA SAID HE HAD ASKED ARANA WHETHER MOLINA'S EFFORTS TO CLEAR HIMSELF WOULD IN ANY WAY AFFECT ANY INTEREST OR FRIEND OR RELATIVE OF ARANA'S AND ARANA HAD TOLD HIM TO PRESS AHEAD.

7. MOLINA ALSO EXPRESSED CONCERN THAT IN CURRENT ATMOSPHERE ATTENTION WOULD TURN FROM DEL MONTE SALE TO

EXMIBAL AND BOISE CASCADE (ELECTRIC COMPANY) TRANSACTIONS  
WHICH HE HAD ALSO HANDLED DURING HIS TENURE AS MINISTER,  
BUT IN CONTRAST TO BANANA COMPANY SALE HE HAD HANDLED  
EVERY DETAIL OF THESE LATTER NEGOTIATIONS HIMSELF AND  
COULD DEFEND THEM WITH EASE.  
MELOY

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CORRUPTION, FOREIGN INVESTMENT, CONSULTANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Errors:** N/A  
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**TAGS:** PINT, EINV, GT, DEL MONTE, (MOREIRA MARTINEZ, ALEJANDRO DOMINGO)  
**To:** STATE SAN JOSE  
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